

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT
OF
BARTON REES POGUE MEMORIAL PUBLIC LIBRARY
GRANT COUNTY, INDIANA
January 1, 2004 to December 31, 2005



FILED
09/22/2006

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report	3
Schedules of Receipts, Disbursements, and Cash and Investment Balances.....	4
Notes to Schedules	5
Examination Results and Comments:	
Deposits	6
Penalties, Interest and Other Charges	6
Official Bond	6
Exit Conference	7

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Danny Careins Barbara Dixon	01-01-04 to 04-30-05 05-01-05 to 12-31-06
Treasurer	Marilyn Bottoms	01-01-04 to 12-31-06
President of the Board	Pamela Stump	01-01-04 to 12-31-06



STATE OF INDIANA

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE BARTON REES POGUE MEMORIAL
PUBLIC LIBRARY, GRANT COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of the Barton Rees Pogue Memorial Public Library (Library), for the period of January 1, 2004 to December 31, 2005. The Library's management is responsible for the schedules. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the schedule of receipts, disbursements, and cash and investment balances and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedules referred to above present fairly, in all material respects, the cash transactions of the Library for the years ended December 31, 2004 and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

August 24, 2006

BARTON REES POGUE MEMORIAL PUBLIC LIBRARY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES
As Of And For The Years Ended December 31, 2004 And 2005

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 27,031	\$ 38,286	\$ 34,122	\$ 31,195
Gift	3,037	-	-	3,037
Grant	1,236	-	-	1,236
Library Improvement Reserve	32,505	2,070	1,779	32,796
Fiduciary Funds:				
Payroll Withholdings	534	4,965	4,939	560
PLAC	307	1,432	1,457	282
Totals	<u>\$ 64,650</u>	<u>\$ 46,753</u>	<u>\$ 42,297</u>	<u>\$ 69,106</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 31,195	\$ 54,885	\$ 37,342	\$ 48,738
Gift	3,037	6,051	-	9,088
Grant	1,236	-	-	1,236
Library Improvement Reserve	32,796	1,884	1,783	32,897
Fiduciary Funds:				
Payroll Withholdings	560	4,939	5,118	381
PLAC	282	1,372	1,355	299
Totals	<u>\$ 69,106</u>	<u>\$ 69,131</u>	<u>\$ 45,598</u>	<u>\$ 92,639</u>

The accompanying notes are an integral part of the schedules.

BARTON REES POGUE MEMORIAL PUBLIC LIBRARY
NOTES TO SCHEDULES

Note 1. Introduction

The Library was established under the laws of the State of Indiana. The Library provides cultural services.

Note 2. Fund Accounting

The Library uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Library in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the Library on or prior to December 31 of the year collected.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Library to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

BARTON REES POGUE MEMORIAL PUBLIC LIBRARY EXAMINATION RESULTS AND COMMENTS

DEPOSITS

In numerous instances, receipts were deposited later than the next business day. Collections for fines and fees and Public Library Access Cards (PLAC) are deposited monthly. In 2004, one State distribution was deposited 18 days after receipt. In 2005, 2 tax distributions were deposited 12 and 18 days after receipt. A donation check of \$6,051 was received in March of 2004 and deposited in April of 2005.

Indiana Code 5-13-6-1 (c) states in part: ". . . all local officers . . . who collect public funds of their respective political subdivisions, shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the several local boards of finance that have jurisdiction of the funds. Public funds deposited under this subsection shall be deposited in the same form in which they were received."

PENALTIES, INTEREST AND OTHER CHARGES

Penalties and interest totaling \$22 were paid to the Indiana Department of Revenue on December 30, 2004, for late payment of payroll withholdings.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

OFFICIAL BOND

The official bond for the Library Treasurer was not filed in the Office of the County Recorder. A similar comment appeared in the prior Audit Report B24036.

Indiana Code 5-4-1-5.1(b) states in part: "Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder. . . ."

BARTON REES POGUE MEMORIAL PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on August 24, 2006, with Barbara Dixon, Director; Marilyn Bottoms, Treasurer; and Jo Ellen Nelson, Bookkeeper. The officials concurred with our findings.